

**DRAFT**

**Democratic Proposal**

**At 8/20/2013**

**Report to the  
Washington State Supreme Court  
by the Joint Select Committee on  
Article IX Litigation**

**Executive Summary**

The Joint Select Committee on Article IX Litigation (Committee) has prepared this report as requested by the Washington State Supreme Court (Court) in the Court's exercise of continuing jurisdiction over the landmark *McCleary v. State* school funding case. This is the second report by the Committee, and it follows up on the Committee's report of September 17, 2012. The Court's order of December 20, 2012, concluded that the Committee's first report failed to demonstrate adequate progress as to how the state will achieve full compliance with the Article IX duty.

Since the Court's December order, the Task Force on Education Funding (Task Force) and the Quality Education Council (QEC) have submitted

reports containing recommendations to the legislature for implementing the program of basic education. The legislature's 2013-15 operating budget made new investments in K-12 education spending. This report summarizes the K-12 basic education and non-basic education enhancements appropriated in the operating budget. Some, but not all, of these enhancements were informed by the recommendations from the Task Force and the QEC.

The 2013-15 operating budget contains \$982.0 million<sup>1</sup> in enhancements to the program of basic education plus an additional \$47.9 million in educational enhancements that do not fall under the program of basic education. Total K-12 policy level enhancements for the 2013-2015 biennium consist of \$1.03 billion. These investments represent an increase of 11.4 percent over the estimated 2011-13 expenditure level.

Additionally, the 2013-15 operating budget assumed \$381.6 million in savings and reductions in non-basic education programs.

On the four elements of chapter 236, Laws of 2010 (SHB 2776) specifically mentioned in the Court's order of December 20, 2012, the Legislature has taken the following actions:

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<sup>1</sup> All funding amounts in this report reflect biennial totals, unless otherwise stated.

- Full-day kindergarten: an additional investment of \$89.8 million, increasing the percentage of funded enrollment from 22.00 percent to 43.75 percent. Based on the target required in current law, the estimated cost in the 2017-19 biennium is approximately \$316 million<sup>2</sup> to reach full implementation of full-day kindergarten in school year 2017-18.
- Pupil transportation: \$131.7 million, fully funding the expected cost model in the 2014-15 school year.
- Materials, supplies, and operating costs (MSOC): an additional investment of \$374 million, to fund 33 percent of the MSOC ending values provided in SHB 2776. Based on the target required in current law, the estimated cost in the 2015-17 biennium is approximately \$857 million<sup>3</sup> in the 2015-17 biennium to reach full implementation of MSOC by school year 2015-2016.
- Early elementary class size reduction: \$103.6 million, to reduce K-1 funded class size to 20.3 students for high poverty schools in the 2014-15 school year. The legislature did not fund further class size reduction for high poverty schools grades 2 & 3, which remain

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<sup>2</sup> Estimated full implementation targets required in current law are estimated from the June 2013 Caseload Forecast.

<sup>3</sup>. Estimated full implementation targets required in current law are estimated from the June 2013 Caseload Forecast.

at 24.1 nor did it fund elementary class size reduction (K-3) for any non-poverty schools. The legislature did not make any statutory changes to the targeted class size reduction model of 17 students for kindergarten through grade three established in SHB 2776. Based on the target required in current law, the estimated cost in the 2017-19 biennium is approximately \$1,096 million<sup>4</sup> in to reach full implementation for grades K-3 in all schools by school year 2017-2018.

In addition, the Legislature has continued to review, revise, and enhance other components within the basic education formulas and enhanced basic education funding beyond the four elements specified in SHB 2776 by investing an additional \$143.1 million in the Learning Assistance Program, \$12.2 million in formula enhancements for counselors, \$11.9 million for the funding of parent involvement coordinators, \$18.9 million for a new basic education program for students exiting from the Transitional Bilingual Instruction Program and \$97 million, which is sufficient to increase student instructional hours from 1,000 to 1,080 in school year 2014-15 for each of grades 7 through 12.

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<sup>44</sup> Estimated full implementation targets required in current law are estimated from the June 2013 Caseload Forecast.

## **2012 Report of Joint Select Committee on Article IX Litigation<sup>5</sup>**

The Joint Select Committee on Article IX Litigation was established in the 2012 legislative session by House Concurrent Resolution 4410. In HCR 4410, the Legislature acknowledged the unique circumstances that led to the Court's 2012 *McCleary* opinion, and it declared its intent to establish a structure and process for the interbranch dialogue requested by the Court in its ruling.

The purposes of the Committee are threefold:

- to provide a point of contact for the Legislature to communicate with the Court, as indicated by the request for a dialogue in this Court's decision to retain jurisdiction;
- to assist and advise the lawyers who represent the State and the Legislature before the judicial branch in the ongoing *McCleary* proceedings; and
- to inform legislators and the legislative institutions of this Court's communications with the legislative branch.

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<sup>5</sup> The Committee consists of the following legislators: Senator David Frockt, co-chair, Representative Gary Alexander, co-chair, Senator Joe Fain, Senator Steve Litzow, Senator Christine Rolfes, Representative Susan Fagan, Representative Jamie Pedersen, Representative Pat Sullivan.

In its order of July 18, 2012, the Court agreed to exercise its continuing jurisdiction in the form of a report from the Committee within 60 days after the operating budget is signed into law. The Committee filed its first report with the Court on September 17, 2012. The full text of the report is available at:

<http://www.leg.wa.gov/jointcommittees/AIXLJSC/Pages/default.aspx> .

As the Committee explained in its report, the Legislature did not make changes to basic education funding during the 2012 legislative session, so it provided a baseline description of the K-12 budget and information on recent legislative activities in order to provide context for future reports.

In its order dated December 20, 2012, the Court concluded that the Committee's September report fell short of the Court's expectations on the ground that it failed to demonstrate how full compliance with Article IX, section 1 would be achieved. The Court stated that 2018 remained a firm deadline for constitutional compliance, and that the Committee's 2013 report must explain the state's plan in sufficient detail to allow progress to be measured according to periodic benchmarks. The Court explained that the phase-in plan should address all aspects of K-12 education identified

in Engrossed Substitute House Bill 2261, including pupil transportation, MSOCs, full-day kindergarten, and class size reduction.

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## **Reports of the Joint Task Force on Education Funding and the Quality Education Council**

Both of these reports that were submitted to the Legislature provide examples of potential implementation strategies for ESHB 2261 and the four basic education elements in SHB 2776: full-day kindergarten, pupil transportation, MSOC, and early elementary class size reduction. The Task Force recommendations for implementation of 2261 and 2776 were received by the legislature on December 31, 2012 – thirteen days after the Court issued its December 18<sup>th</sup> order. While neither set of recommendations were adopted, the frameworks presented by each of these groups informed the work of the legislature last session and elements of these recommendations were adopted in 2013.

The Task Force majority proposal included recommendations for a linear phase-in plan of the four elements over three biennia and called for investments in career and college readiness, salary allocations for classified staff and certificated administrators, and non-basic education funding for school and school district accountability, teacher/principal evaluations, and implementation of the Common Core State Standards. The minority proposal called for targeted implementation, with full-day

kindergarten implemented first, followed by K-3 class size reduction, MSOC, additional instructional hours, and pupil transportation. The QEC report supported continued phase-in of the four elements, funding for increased instructional hours to provide the opportunity for an enhanced high school diploma, and non-basic education investments in professional learning.

### **The Joint Task Force on Education Funding<sup>6</sup>**

The Joint Task Force on Education Funding (Task Force) was established in House Bill 2824, which was enacted in the 2012 legislative session.

The legislation directed the Task Force to make recommendations on how the Legislature may meet the requirements established in Chapter 548, Laws of 2009 (ESHB 2261) and chapter 236, Laws of 2010 (SHB 2776). Specifically, HB 2824 directed the Task Force to develop a proposal for a reliable and dependable funding mechanism to support basic education programs, including, at a minimum, support for full implementation of the reforms required by ESHB 2261 and SHB 2776. HB 2824 authorized the Task Force to recommend multiple funding options but directed the

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<sup>6</sup> The Task Force consisted of the following eight legislators and three gubernatorial appointees: Jeff Vincent, Chair, Dr. Susan Enfield, Vice-Chair, Senator Lisa Brown, Senator Joe Fain, Senator David Frockt, Senator Steve Litzow, Representative Gary Alexander, Representative Susan Fagan, Representative Marcie Maxwell, Representative Pat Sullivan, and Mary Lindquist.

recommendation of a preferred alternative. The bill also directed the Task Force to consider recommendations from the Quality Education Council (QEC) regarding the Transitional Bilingual Instructional Program (TBIP) to the Legislature, dated January 6, 2012. It asked the Task Force to recommend whether the Legislature should implement a scaled funding formula based on the level of students' English proficiency and a supplemental allocation for students exiting the TBIP.

HB 2824 also repealed the statutes enacted by the passing of Initiative Measure No. 728. HB 2824 specifically provided that because the Initiative dedicated a portion of state revenues to fund class size reductions and other education improvements and ESHB 2261 and SHB 2776 also incorporated class size reductions and similar improvements that the Initiative provisions were being repealed in order to make the Initiative revenues available for implementation of basic education reform.

The Task Force's discussions included the phase-in of the four specified elements of SHB 2776. The Task Force also considered how and when to phase in implementation of two of the statutory changes to basic education that do not yet have a fixed statutory deadline. These changes are the increase in instructional hours for students in grades 7 through 12 and the opportunity to earn 24 credits for high school graduation. As directed, the

Task Force considered the QEC's recommendations for the TBIP. The Task Force also considered whether its recommendation should include additional changes to the statutory program of basic education. The Task Force also received public comment at each meeting.

The Task Force submitted its report on December 31, 2012. The report consisted of majority and minority proposals.

The majority proposal called for linear funding of the four elements over three biennia: pupil transportation, MSOC, all-day kindergarten, and K-3 class size reduction. In addition, the majority proposal called for investments in career and college readiness, which included basic education enhancements to the prototypical schools formula, learning assistance program and transitional bilingual instructional program; salary allocations for classified staff and certificated administrators; and non-basic education funding for accountability, evaluation and Common Core standards.

(See, Appendix A)

The minority proposal called for targeted implementation of the four elements plus the increase in instructional hours, with full-day

kindergarten implemented first, followed by K-3 class size reduction, MSOC, additional instructional hours, and pupil transportation.  
(See, Appendix B)

The full text of the Task Force report and both proposals is available at:  
<http://www.leg.wa.gov/jointcommittees/EFTF/Pages/default.aspx>.

## **Quality Education Council**

The Quality Education Council (QEC) was established by Engrossed Substitute House Bill 2261 in 2009. The purpose of the QEC is "to recommend and inform the ongoing implementation by the Legislature of an evolving program of basic education and the financing necessary to support such program." The QEC updates statewide strategic recommendations each year, with the intent of informing the Legislature's and Governor's educational policy and funding decisions, identifying measurable goals and priorities for the state's education system, and enabling the state to continue to implement an evolving program of basic education.

In making its recommendations to the 2013 Legislature, the QEC identified three implementation criteria. The QEC stated that these criteria

would ensure a research-based approach to its recommendations. The recommendation criteria are:

- the Court's decision in *McCleary*;
- research demonstrating student achievement; and
- the *Nine Characteristics of High-Performing Schools*

Based on these criteria, the QEC made three specific implementation recommendations for the consideration of the 2013 Legislature:

- The statutory requirements of Substitute House Bill 2776.
- Professional learning.
- Increased instructional hours and the opportunity for an enhanced high school diploma.

#### Statutory Requirements of Substitute House bill 2776

The QEC recommended that the 2013 Legislature continue to support new funding for the requirements of SHB 2776. The QEC recommended funding for the four specific elements of SHB 2776:

- Continued phase-in of full-day kindergarten based on poverty factors.

- Continued phase-in of funding for additional teachers to reduce class size in grades K through 3 based on poverty factors.
- Continued phase-in of the new expected cost formula for pupil transportation.
- Begin the phase-in of the funding enhancements for maintenance, supplies, and operating costs (MSOCs).

#### Professional Learning

To implement statewide reforms and improve educational outcomes, the QEC recommended that the 2013 legislature:

- direct the Office of the Superintendent of Public Instruction (OSPI) to create a common definition for professional learning;
- invest in up to 10 days of content-specific professional development outside of the 180-day school calendar, so that by the 2017-18 school year educator development does not take away from instructional hours;
- allocate mentors and instructional coaches in the prototypical school funding formula; and

- provide continuing support for professional learning through the regional network of OSPI and the nine educational service districts.

Increased Instructional Hours and the Opportunity for an Enhanced High School Diploma

The QEC recommended that the Legislature implement the portions of ESHB 2261 that provide for increased instructional hours in grades 7 through 12 and the opportunity for high school students to complete 24 credits. These recommendations called for changes to the prototypical school funding formula to accomplish the following:

- additional teaching units to fund the increase in instructional hours for grades 7 through 12;
- additional staffing units for Family Involvement Coordinators at the elementary school level and Guidance Counselors at the middle and high school levels; and
- enhancements to the Learning Assistance Program (LAP) for all students, and the Transition Bilingual Instructional Program (TBIP) for grades 7 through 12, including transitional support for students who have recently exited the TBIP.

Full text of the QEC recommendations, including supporting documents, is available at [www.k12.wa.us/qec](http://www.k12.wa.us/qec).

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## **2013 Legislative Session: Overview of the Enacted Operating Budget**

The 2013-15 enacted omnibus operating budget bill appropriates \$33.6 billion for the operations of state government and school districts from the Near General Fund—State (NGF-S). NGFS resources (including beginning fund balance) for the 2013-15 fiscal biennium are projected to be \$33.5 billion, after the deposits into the Budget Stabilization Account.

The enacted budget leaves \$625 million (after Governor's vetoes) in projected total reserves (\$48 million in NGF-S ending fund balances and the remainder in the Budget Stabilization Account). The reserves are used to guard against future economic downturn or unanticipated spending pressures. In the case of the Budget Stabilization Account, the Legislature can only spend money from the account with a three-fifths vote unless the following scenarios occur: (1) forecasted state employment growth is less than one percent; or (2) the Governor declares an emergency set forth in a separate piece of legislation.

Additionally, the enacted budget included temporarily redirecting resources and certain funds to the operating budget. This included: (1) \$521 million in various fund transfers and revenue redirection for fiscal years 2013, 2014, and 2015 and the continued redirection of certain Public

Works Assistance Account revenue sources through fiscal year 2019; and

(2) elimination of the \$204 million Opportunity Pathways/School

Construction statutory transfer requirement. The \$204 million for school construction are currently backfilled with state bonds in the 2013-15 biennium.

Under the provisions of the statutory four-year outlook, Chapter 8, Laws of 2012, 1<sup>st</sup> sp. s., (SSB 6636), which requires a four-year balanced budget, appropriation levels in the 2013-15 budget are projected to end the 2015-17 biennium with \$1.3 billion in total reserves (\$386 million in NGF-S and the remainder in the Budget Stabilization Account).

The enacted operating budget for 2013-15 includes \$1.7 billion in additional policy enhancements (\$1.03 billion of that in K-12 education).

*(See, Appendix C for appropriations by functional area.)*

## **Summary of K-12 Education in the 2013-15 Enacted Operating Budget**

### **K-12 Education Overview**

The basic education policy level enhancements (\$982.0 million) include:

- \$374.0 million for increased materials, supplies, and operating costs (MSOC);
- \$143.1 million for Learning Assistance Program (LAP) expansion;
- \$131.7 million for pupil transportation;
- \$103.6 million to reduce early elementary class size;
- \$97.0 million in additional instructional hours;
- \$89.8 million to expand all-day kindergarten;
- \$24.1 million for guidance counseling and parent coordinators; and
- \$18.9 million for bilingual education.

The non-basic enhancements (\$47.9 million) include:

- \$15.0 million for teacher and principal evaluations and training;
- \$10.3 million for struggling schools;
- \$8.3 million for Local Effort Assistance;
- \$4.4 million for legislation to improve student outcomes; and
- \$9.9 for other enhancements to non-basic education.

The larger K-12 non-basic education policy savings, reductions and fund shifts (-\$381.6 million) include:

- \$295.5 million from suspension during the 2013-15 biennium of the Initiative-732 (Cost Of Living Adjustments for K-12.)
- \$25 million in savings from assessment changes;
- \$24.7 million in savings from eliminating the SHB 2776 hold-harmless payment; and
- \$11.1 million in savings from Alternative Learning Experience (ALE) program audit recoveries.
- \$1.6 million in savings from revising the ALE funding formula.
- \$3.0 million from the suspension of inflation adjustments for the National Board Certified Teacher bonus.
- \$16.5 million in savings from consolidating and eliminating grant programs.
- \$4.2 million savings is achieved through the continued suspension of the Alternative Certification Routes program.

## **The 2013 Legislative Session: K-12 Appropriations**

### **Funding for the Program of Basic Education**

The 2013-15 operating budget provides appropriations for \$982 million in basic education enhancements and \$47.9 million in non-basic education enhancements, for a total of \$1.03 billion in education enhancements.

This funding level represents an increase of 11.4 percent over the estimated 2011-13 operating expenditures; and includes the restoration of the 1.9 percent and 3 percent reduction in salaries. No additional policy increases to the existing salary allocation model were made in the 2013-15 operating budget and the I-732 COLA for K-12 employees was suspended. The I-732 COLA for K-12 employees has not been funded since the start of the 2009-10 school year.

The bulk of this funding (\$982.0 million) is appropriated for enhancements to basic education allocation formulas. Funding is provided to address the four elements of SHB 2776 specifically mentioned in the Courts December 2012 Order: Full-day kindergarten; early elementary class size reduction; pupil transportation funding; and materials, supplies, and operating costs (MSOC). Also, funding is provided to address the enhancement to instructional hours for grades 7 through 12 specified in ESHB 2261. In addition, the Legislature, in the exercise of its authority to review and revise the program of basic education, funded additional enhancements to basic education formulas and programs: an increase in

the Learning Assistance (LAP) allocation; a new program for students exiting from the Transitional Bilingual Instructional Program (TBIP); and new funding formula allocations for parent involvement coordinators and middle school and high school guidance counselors. (*See, Appendix D.*)

**Increased Funding for Materials, Supplies and Operating Costs**

Funding totaling \$374.0 million is provided to continue implementation of the enhancement to the Materials, Supplies and Operating Costs component of the prototypical school funding formula. The allocation per full time equivalent student is increased from \$560.67 to \$737.02 in school year 2013-14 and \$781.72 in school year 2014-15. The school year 2013-14 and 2014-15 allocations fund approximately 28 percent and 33 percent of the difference between the maintenance level funding allocation and the MSOC target identified in SHB 2776. Based on the target required in current law, the estimated cost in the 2015-17 biennium is approximately \$857 million<sup>7</sup> in the 2015-17 biennium to reach full implementation of MSOC by school year 2015-2016.

**Full Implementation of the Expected Cost Pupil Transportation Funding Model**

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<sup>7</sup> Estimated full implementation targets required in current law are estimated from the June 2013 Caseload Forecast.

Funding in the amount of \$131.7 million is provided to complete implementation of the expected cost pupil transportation funding model. Allocations are phased in such that funding in school year 2013-14 is sufficient to achieve approximately 40 percent of full implementation and funding in school year 2014-15 is sufficient to achieve full implementation, as required by Chapter 236, Laws of 2010 (SHB 2776). Upon full implementation in school year 2014-15, districts will receive state allocations as calculated under the Student Transportation Allocating Reporting System (STARS).

#### Increased Funding for Early Elementary Class Size Reduction

Chapter 236, Laws of 2010 (SHB 2776) requires that during the 2011-2013 biennium and beginning with schools with the highest poverty, the class size in grades K through 3 must be reduced until the average class size is no more than 17.0 full-time equivalent students per teacher beginning in the 2017-18 school year. Funding is provided to continue implementation of reduced early elementary class sizes. Kindergarten and first grade class sizes in high-poverty schools are reduced to 20.85 full-time equivalent students in school year 2013-14 and 20.30 full-time equivalent students in school year 2014-15. Allocations for the reduced class size in school year 2014-15 are provided to the extent, and

proportionate to, the eligible school's demonstrated actual average class size, but will be no less than a class size of 24.10. Funding for this enhancement to the program of basic education, totaling \$103.6 million, includes an assumption that all eligible schools will demonstrate the reduced, funded class size of 20.30 full-time equivalent students. No additional funding is included to reduce class sizes in grades two and three or in non-poverty grades K-1. Based on the target required in current law, the estimated cost in the 2017-19 biennium is approximately \$1,096 million<sup>8</sup> in to reach full implementation for grades K-3 in all schools by school year 2017-2018.

#### Funding for Expansion of Full-Day Kindergarten

Funding in the amount of \$89.8 million is provided to expand the percentage of state funded full-day kindergarten classes. In school year 2012-13, allocations for statewide voluntary full-day kindergarten was 22 percent of kindergarten enrollment. In school years 2013-14 and 2014-15, statewide voluntary full-day kindergarten is increased to 43.75 percent of kindergarten enrollment. New recipients of the allocations are determined by school high poverty levels. Chapter 236, Laws of 2010 (SHB 2776)

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<sup>8</sup> Estimated full implementation targets required in current law are estimated from the June 2013 Caseload Forecast.

requires full implementation of statewide funding for voluntary full-day kindergarten by 2018. Based on the target required in current law, the estimated cost in the 2017-19 biennium is approximately \$316 million<sup>9</sup> to reach full implementation

#### Increased State-Funded Instructional Hours

Beginning with fiscal year 2015, funding totaling \$97.0 million is provided to increase instructional hours from a district-wide average of 1,000 hours to an average of 1,080 hours in each of grades seven through twelve, as provided in Chapter 548, Laws of 2009 (ESHB 2261). The prototypical formula for public schools is revised to provide an additional 2.2222 hours of instruction per week for students in grades 7 through 12, beginning September 1, 2014.

#### Increased Funding for Instructional Support in Learning Assistance

##### Program

Funding in the amount of \$143.1 million is provided to increase the number of state-funded instructional hours in the Learning Assistance Program from 1.5156 hours per week per full-time equivalent student to

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<sup>9</sup> Estimated full implementation targets required in current law are estimated from the June 2013 Caseload Forecast.

2.3975 hours per week. In addition, Chapter 18, Laws of 2013, 2nd sp.s., Partial Veto (ESSB 5946) broadens the permitted uses of Learning Assistance Program by school districts. Additional policy changes were made to the LAP program and are described in greater detail in the "Additional Policy Changes" section.

Enhancement to the Prototypical School Funding Formula for Counseling and Coordinators

SHB 2776 did not provide for scheduled enhancements for increasing funding for school counselors or parent involvement coordinators. However, the 2013-15 operating budget did provide increased funding to support an enhancement to the prototypical school model, increasing the Parent Involvement Coordinator allocation from zero to 0.0825 full-time equivalent staff for each prototypical elementary school, and increasing the Guidance Counselor allocations for the prototypical middle from 1.116 to 1.216 and high schools from 1.909 to 2.009, an increase of 0.1 full-time equivalent staff. In total, \$24.1 million is provided, of which \$11.9 million supports the increase in the Parent Involvement Coordinator formula change and \$12.2 million supports the Guidance Counselor revision to the prototypical formula.

New Program of Supplemental Instruction for Students Who Exit the  
Transitional Bilingual Program

Funding in the amount of \$18.9 million is provided to add state-funded supplemental instruction following a student's exit from the transitional bilingual program. The additional hours of instruction are phased in over a two-year period. In the 2013-14 school year, 3.0 hours per week are provided for each student who has exited the transitional bilingual program in the immediate prior year. The exited student supplemental instruction is fully implemented in the 2014-15 school year with 3.0 additional hours of instruction per week for each student that exited the transitional bilingual program in the immediate prior two years, as provided in Chapter 9, Laws of 2013 (ESHB 2051).

### Revisions to Prototypical School Funded Ratios

The enhancements to basic education funding provided by in the 2013-15 operating budget resulted in new funding ratios for the prototypical school formula. (*See, Appendices E and F*)

### Implementation Comparison

A comparison of the adopted budget with maintenance level, majority and minority recommendations of the Joint Task Force on Education Funding, and linear implementation of SHB 2776 is attached as Appendix G.

### **Non-Basic Education Enhancements to Public School Funding**

In addition to enhancements to funding for the program of basic education, the 2013-15 operating budget also funded a number of enhancements or new programs to support school districts in their implementation of the basic education program. (*See, Appendix H*)

### Teacher and Principal Evaluation Program Training

Funding enhancement of \$15.0 million is provided to continue implementation of the Teacher and Principal Performance-Based Evaluation Program, as provided in Chapter 35, Laws of 2012 (ESSB

5895). Within the amounts provided, \$5 million is one-time. The funding supports two broad training categories: (1) training for every teacher in the state to educate them in the new evaluation program; and (2) ongoing small team "train the trainer" series for select staff from each school district.

#### Grants to Support Persistently Lowest-Achieving Schools

Funding in the amount of \$10.3 million is provided to implement Chapter 159, Laws of 2013 (E2SSB 5329). Funding provided supports grants to school districts identified by the Office of the Superintendent of Public Instruction as persistently lowest-achieving or as a Required Action District, as well as staffing and administration costs of the program at the Office of the Superintendent of Public Instruction. Greater detail on the program is provided in the "Additional Policy Changes" section.

#### Local Effort Assistance

Funding in the amount of \$8.3 million is provided to support the estimated increase in Local Effort Assistance that results from funded enhancements to the program of basic education, including state funding allocations for: materials, supplies and operating costs; early elementary class size reductions; continued implementation of voluntary full-day kindergarten;

the Learning Assistance Program; the Transitional Bilingual Program, guidance counselors and parent involvement coordinators; increased instructional hours for grades 7 through 12; and completed implementation of the expected cost pupil transportation funding formula. Additionally, the Per Pupil Inflator is revised such that it is 4.914 percent in both calendar years 2014 and 2015.

#### Other Non-Basic Education Enhancements to Public Schools

In addition to the enhancements discussed above, \$14.5 million is provided for: implementation of legislation adopted during the 2013 legislative session; continued support programs previously supported by federal or private grants; dropout prevention and intervention programs; science, technology, engineering and math (STEM) programs; college readiness programs; studies; and one-time workload increases.

#### **Enhancements to Higher Education and Early Learning**

Other enhancements were provided in the 2013-15 operating budget to the non-basic education programs of higher education and early learning.

##### *Higher Education*

The larger policy enhancements include:

- \$119 million in additional funding for the four-year institutions and community and technical colleges;
- \$17 million net for financial aid;
- \$17 million for targeted state support; and
- \$11 million for the Student Achievement Initiative.

The net financial aid amount is a \$36 million increase for College Bound Scholarships and reductions of \$19 million from re-suspension of smaller scholarship programs (WA Scholars, WAVE, Health Professions Scholarship, and Future Teachers Scholarships). Current recipients are not impacted.

The enacted budget assumes the increase in funding is sufficient to maintain tuition levels at the institutions of higher education and assumes there will be no tuition increases for the 2013-14 academic year. Four-year institutions and the community and technical colleges are authorized to exercise tuition setting authority beginning in the second year of the biennium. Institutions that choose to increase tuition are required to provide additional funding for student financial aid and cover any impact to the State Need Grant.

*Early Learning and Child Care*

The larger policy enhancements include:

- \$25 million for Early Childhood Education Assistance Program (ECEAP) enhancements; and
- \$16 million for child care vendor rate increases.

## **Reductions and Savings to Non-Basic Education Programs**

The 2013-15 enacted operating budget assumed some reductions and savings to non-basic education. (*See, Appendix I*)

### Suspend K-12 Cost-of-Living and Inflation Adjustments

Chapter 5, Laws of 2013, 2nd sp.s., (HB 2043) achieved one-time savings totaling \$298.5 million General Fund-State in the 2013-15 biennium by suspending the Cost-of-Living Adjustment (COLA) required by Initiative 732 and the National Board bonus inflation adjustment required by RCW 28A.405.415 for K-12 employees. Initiative 732, approved by voters in 2000, requires an annual cost-of-living increase for school employees based on the Seattle Consumer Price Index (CPI) for the prior school year. The cost-of-living increases, based on the March 2013 estimate of the Seattle CPI, are 2.5 percent for the 2013-14 school year and 1.8 percent for the 2014-15 school year. The COLA for K-12 employees has not been funded since the start of the 2009-10 school year. The total estimated savings from suspending the COLA for the 2013-15 biennium is \$295.5 million. The remaining \$3.0 million savings results from suspending inflation adjustments to the National Board certification bonus, which would otherwise be adjusted by the Implicit Price Deflator. The state

restored the 1.9 percent salary reduction in state allocations for certificated instructional and classified salaries and the 3.0 percent reduction in state allocations for certificated administrator salaries. No additional policy increases were made to the existing salary allocation model in the 2013-15 operating budget.

### Assessment Reforms

Chapter 22, Laws of 2013, 2nd sp.s., (EHB 1450) achieved ongoing savings totaling \$25.0 million by revising the statewide student assessments. The Superintendent of Public Instruction is directed to implement student assessments developed with a multistate consortium, beginning in the 2014-15 school year and consolidating the current reading and writing exams into a single English language arts exam. Additional policy changes were made to the assessment program and are described in greater detail in the "Additional Policy Changes" section.

### Prototypical School Formula Implementation Hold-Harmless Payment

Ongoing savings totaling \$24.7 million are achieved through the elimination of the prototypical school formula implementation hold-harmless payment, which is no longer necessary. Chapter 236, Laws of

2010 (SHB 2776) established new formulas for allocating funding for a number of basic education programs, including General Apportionment, the Learning Assistance Program, the Highly Capable Program, and the Transitional Bilingual Program. The 2011-13 biennial budget provided funding to hold districts harmless to per-student funding amounts that existed prior to the formula conversion that became effective September 1, 2011. The funding formulas, as enhanced in the 2013-15 biennium, provide funding above the prior formula thereby eliminating the need for the hold-harmless payment.

#### Alternative Learning Experience Audit Recoveries

The State Auditor's Office (SAO) completed and released a summary of the 2010-11 school year audits of the Alternative Learning Experience (ALE) program February 12, 2013, identifying up to \$26.9 million of possible overpayments to a total of 67 school districts. A one-time adjustment of \$11.1 million for audit recoveries as assumed based on the scope and size of the audit findings, adjusted for the historical ratio of SAO audit findings to the Office of the Superintendent of Public Instruction audit resolution recoveries for the ALE programs.

#### Other Non-Basic Education Reductions, Eliminations and Savings

Reductions totaling \$16.5 million are achieved through the elimination, of three non-basic education grant programs and Regional Education Technical Support Centers. Partially offsetting this reduction, as discussed above, is a revision to the Learning Assistance Program, which broadens the permitted use of the funds by school districts. Additionally, limited administrative staffing at the Office of the Superintendent of Public Instruction is maintained to support programs that school districts elect to continue within their respective appropriations.

Chapter 18, Laws of 2013, 2nd sp.s., Partial Veto, (ESSB 5946) revised the non-basic education Alternative Learning Experience (ALE), defining it by course rather than program type. Additionally, ALE course funding is revised such that funding is based on the statewide average Basic Education rate for high school students. This revision in funding results in estimated savings totaling \$1.6 million.

Savings totaling \$4.224 million is achieved through the continued suspension of the Alternative Certification Routes program, teacher training programs that serve as different options to traditional teacher preparation programs.

## **Additional Educational Policy changes**

In addition to the increased funding for the program of basic education and other non-basic education funding enhancements provided by the Legislature in the 2013-15 operating budget, the Legislature enacted policy changes to the basic education program by expanding the Learning Assistance and Transitional Bilingual Instructional programs and to other educational policies that support the basic education program, including transitioning to new student assessments, creating a state-funded school and school district accountability system, and establishing statewide indicators of educational system health.

### ESHB 1450 (2013): Regarding Assessments in Public Schools

This bill transitions from the current state-required student assessments in reading, writing, and mathematics assessments in grades 3-8 and 10, to student assessments developed with a multistate consortium in English Language Arts (ELA) and mathematics beginning in the 2014-15 school year. It requires results from the high school consortium assessments to be used to meet high school graduation requirements beginning with the graduating class of 2019.

### ESHB 2051 (2013) Implementing Basic Education Expenditures

The Legislature's intent to fund a plan to carry out the reforms enacted in 2009 and 2010 legislation (ESHB 2261 and SHB 2776) regarding Basic Education and to make the statutory changes necessary to support this plan is specifically provided. The Transitional Bilingual Instruction Program is redefined to require school districts to make instructional support available for students for up to two years immediately after they exit the program. Certain revenues are directed from the Real Estate Excise Tax, the Public Utility Tax, and the Solid Waste Collection Tax that are currently deposited in the Public Works Assistance Account have been redirected to the Education Legacy Trust Account through June 30, 2019. A requirement for an annual transfer of \$102 million from the State General Fund to the Education Construction Fund is repealed. In the 2013-15 biennium \$204 million of state bonds for this purposes backfilled the school construction program.

### E2SSB 5329 (2013): Transforming Persistently Failing Schools

The Office of Superintendent of Public Instruction (OSPI) must design a system of support, assistance, and intervention for schools in need of improvement, which includes persistently lowest-achieving schools. A school district with a school identified as a persistently lowest-achieving

school is designated as a Required Action District (RAD) and must use an OSPI-approved school improvement model. A RAD that has not demonstrated sufficient improvement after at least three years may be required to develop a new school improvement plan or may be assigned to a new Level II RAD process, which requires a new plan that is binding on the school district. The 2013-15 operating budget provided \$10.3 million for implementation of the bill.

ESSB 5491 (2013): Establishing Statewide Indicators of Educational Health

Six statewide indicators of educational system health are established as kindergarten readiness, fourth grade reading achievement, eighth grade mathematics achievement, the high school on-time graduation rate, employment rates, and college remediation rates. The State Board of Education, with other state educational agencies, must establish a process for identifying system-wide goals for each indicator and subgroup of students. Each indicator goal must be set biennially. The state educational agencies must jointly report on the status of each indicator and recommended performance goals each even-numbered year. If the state is not on target to meet a goal on an indicator, then recommendations for improvements must be made. The performance goals must be compared

with national data to determine if Washington student achievement is in the top 10 percent nationally. If not, the biennial report must identify and recommend evidence-based reforms targeted at addressing the indicator.

ESSB 5946 (2013): Strengthening Student Educational Outcomes

This bill incorporated several policy bills, which were originally introduced separately addressing several policy changes including the following:

*Learning Assistance Program (LAP)*

The LAP program was expanded to include parent and family engagement coordinators and Readiness to Learn activities. School districts are required to focus LAP funds first on reading improvement for K-4 students. The state-approved LAP plans are replaced with annual reports on student academic growth and progress. The Office of the Superintendent of Public Instruction must convene a panel of experts to develop state menus of best practices for K-4 reading improvement and use of LAP funds. School districts are required to use the practices from the menus under certain circumstances.

*Reading and Early Literacy*

The responsibilities the Office of the Superintendent of Public Instruction (OSPI) and school districts regarding reading skills in grades K-4 are specified. Professional development in reading instruction for K-4 teachers is targeted. Grades K-4 student report cards must include whether the student is reading on grade level. School districts must discuss appropriate grade placement and provide intensive reading improvement strategies for students reading below grade level.

#### *Student Discipline*

Unlimited student suspensions and expulsions were eliminated. Student suspensions or expulsions may not exceed one year unless authorized by the district superintendent based on rules adopted by the OSPI. School districts to create an individually tailored reentry and reengagement plan for long-term suspended or expelled students.

#### *Alternative Learning Experiences*

Alternative Learning Experiences (ALE) are defined by type of course rather than by type of program, including definitions based on the amount of weekly in-person instructional contact. The funding for ALE courses is allocated using the statewide average basic education rate for high school students. Provisions of the school choice laws regarding transfer of

students between resident and nonresident districts to enroll in online courses are adjusted.

### Clarification sought from the Court

In the *McCleary* opinion, the Supreme Court specifically provided that retaining jurisdiction of the case had the benefit of “fostering dialogue” between the Legislature and the Court. The Legislature would like to take this opportunity to create a two-way conversation by seeking some clarification from the Court on a number of issues in order to avoid confusion and any difficulties in implementing the Legislature’s strategies to meet its Article IX constitutional duty. The Legislature asks the following questions in the spirit of fostering dialogue:

1. The Legislature views ESHB 2261 (2009) as the plan for how to meet the State’s constitutional basic education obligations while maintaining the necessary flexibility for the Legislature to determine how to implement the plan. SHB 2776 (2010) was the initial implementation strategy for some of components of ESHB 2261 but it was not the complete implementation strategy. To augment the plan in ESHB 2261 and SHB 2776, the Legislature directed both the Joint Task Force on Education Funding and the Quality Education Council to make

recommendations to the Legislature to inform the Legislature's ongoing work. The 2013 Legislature implemented some but not all of those recommendations. However, in the December 2012 Order, the Court directed the Legislature to provide a plan and periodic benchmarks for achieving full funding of basic education. If ESHB 2261, SHB 2776, and subsequent legislation passed in 2013, do not provide a plan in the eyes of the Court then the Legislature asks for clarification about what would be a sufficient plan, especially in light of the well-established principle that has been recognized by the Court that one Legislature may not bind a future Legislature and the Court's past deference to the Legislature's chosen means of discharging its Article IX duty.

2. The Court has used a number of different terms in describing the Legislature's progress in fulfilling its constitutional obligation: "steady," "measureable," "forward," etc. Recognizing that the plain meanings of each of these terms are slightly different, the Legislature asks that the Court provide a single, clearer description of what is meant by "progress."

3. In the *McCleary* opinion, the Court recognized that the Legislature enacted a promising reform package under ESHB 2261, which if fully funded, will remedy deficiencies in the K-12 funding system. However, the Court also provided:

“Rather, the evidence in this case confirms what many educational experts and observers have long recognized: fundamental reforms are needed for Washington to meet its constitutional obligation to its students.

Pouring more money into an outmoded system will not succeed.”

The Legislature seeks clarification as to whether the Court expects the Legislature to enact additional reforms to those in ESHB 2261 and SHB 2776 to achieve compliance with Article IX, and if so would the reforms be to the finance system or other policy reforms?

4. The Court acknowledged in the *McCleary* opinion that, “Judge Doran’s ruling [in *Seattle School District I*] largely shaped the legislature’s design of the basic education program for the next several decades.” The Court has also made reference to Judge

Doran's ruling in *Seattle School District No. 1 v. State (Seattle School District II)*, No. 8-2-1713-1 (Thurston County Super. Ct. Sept. 7, 1983), which the state did not appeal. See *McCleary*, 173 Wn.2d at 527 & n. 23; *Brown v. State*, 155 Wn.2d 254, 262 & n.2, 119 P.3d 341 (2005) ("well-reasoned" opinion). The Legislature seeks clarification as to whether the portion of Judge Doran's Declaratory Judgment in 1983, which provides that the "legislature must fully fund . . . salaries necessary to assure local school districts the ability to hire and retain competent staff. . ." is a constitutional principle under Article IX.

# Appendices

DRAFT - FOR DISCUSSION ONLY

## Appendix A

# Joint Task Force on Education Funding – Majority Proposal

Adopted Joint Task Force on Education Proposed Spending Plan (Dollars in Millions)			
	2013-15	2015-17	2017-19
Transportation	\$141.6	\$225.1	\$232.8
MSOC	\$597.1	\$1,410.9	\$1,554.7
K-3 Class Size	\$219.2	\$662.8	\$1,150.6
Full-Day Kindergarten	\$89.3	\$227.4	\$348.7
Career & College Ready	\$140.4	\$327.6	\$473.4
CAS/CIS Salary	\$169.8	\$450.2	\$681.5
Accountability, <small>Eval., Common Core</small>	\$66.5	\$44.5	\$42.0
<b>Total</b>	<b>\$1,423.9</b>	<b>\$3,348.5</b>	<b>\$4,483.7</b>

Implementation dates, as provided in SHB 2776, are identified by the yellow shading above.

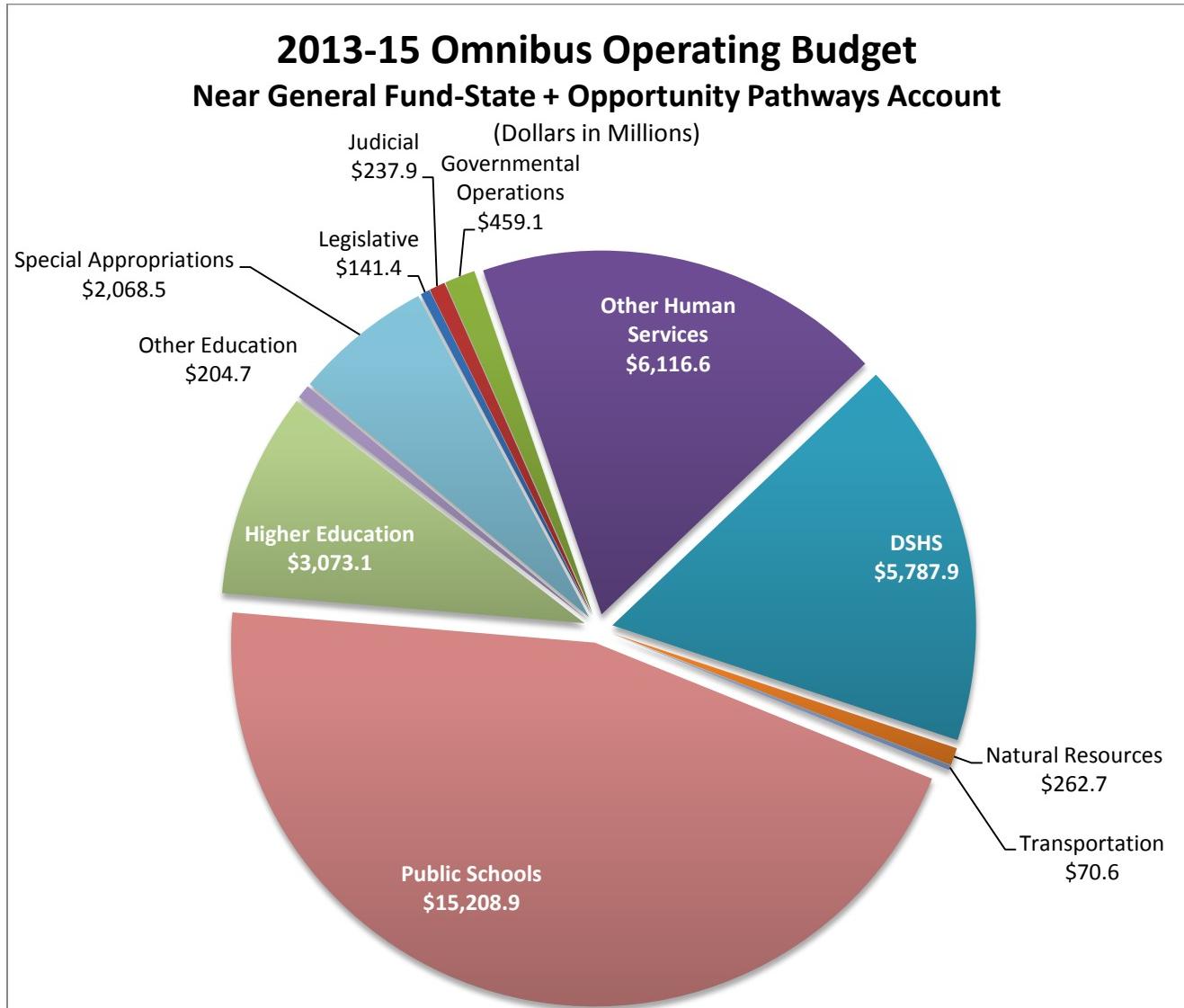
## Appendix B

# Joint Task Force on Education Funding – Minority Proposal

Alternative Proposal Submitted to the Joint Task Force on Education Funding (Dollars in Millions)		
Enhancements to Basic Education	Biennial Funding	Cumulative Total
• Full-Day Kindergarten (100%)	\$349	
• K-3 Class Size (50%)	<u>\$575</u>	
<b>2013-15 Biennium</b>	\$924	<b>\$924</b>
• K-3 Class Size (50%)	\$576	
• MSOC (50%)	<u>\$777</u>	
<b>2015-17 Biennium</b>	\$1,353	<b>\$2,277</b>
• 80 additional hours of instruction for grades 7-12 and increase opportunity for graduation credits to 24	\$211	
• MSOC (50%)	\$778	
• Pupil Transportation (100%)	<u>\$232</u>	
<b>2017-19 Biennium</b>	\$1,221	<b>\$3,498</b>

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## Appendix C



## Appendix D

Enhancements to State Funded Program of Basic Education				
Basic Education Program	Maint. Level	SY 2013-14 Policy Level	SY 2014-15 Policy Level	2013-15 State Appropriation
State Funded Full Day Kindergarten (% of Enrollment)	22.0%	43.75%	43.75%	\$89.8 M
Early Elementary Class Size (High Poverty Schools - Students/FTE)	24.10	Gr K-1-20.85 Gr 2-3 - 24.1	Gr K-1 - 20.3 Gr 2-3 - 24.1	\$103.6 M
Pupil Transportation* (SY Funding Expected Cost Model & % of Total Est.)	\$2.8 M 2.6%	\$43.9 M 40.0%	\$109.7 M 100%	\$131.7 M
Materials, Supplies & Op. Costs (\$/FTE Student & % of Target)	\$560.67	\$737.02 28%	\$781.72 33%	\$374.0 M
Learning Assistance Program (Hours of Additional Instruction)	1.5156 hrs	2.3975 hrs	2.3975 hrs	\$143.1 M
Bilingual Instruction – Exited Student (Hours of Additional Instruction)	N/A	3.0 hrs	3.0 hrs	\$18.9 M
Parent Involvement Coordinators (FTE/Prototypical Elementary School)	0.00	0.0825	0.0825	\$11.9 M
Guidance Counselor (FTE/Prototypical Middle & High Schools)	1.116 1.909	1.216 2.009	1.216 2.009	\$12.2 M
Instructional Hours (Hours of Additional Instruction per Week)	0.00 hrs	2.2222 hrs	2.2222 hrs	\$97.0 M

\*Note the school year appropriations differ from the state fiscal year appropriations for pupil transportation due to the difference in the fiscal years. The state's fiscal year begins July 1 while the school fiscal year begins September 1.

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## Appendix E

# Revisions to the Prototypical School Ratios: 2013-15 Biennium

<b>Elementary School</b>		<b>Middle School</b>		<b>High School</b>	
400 FTE students		432 FTE students		600 FTE students	
<b>SY 2013-14 K-1 class size*</b>	<b>25.2/20.85</b>	Class size in grades 7-8	28.5	Class size in grades 9-12*	28.7
<b>SY 2014-15 K-1 class size*</b>	<b>25.2/20.30</b>				
Class size in grades 4-6	27.0				
Librarians	0.66	Librarians	0.52	Librarians	0.52
Guidance Counselors	<b>0.49</b>	<b>Guidance Counselors</b>	<b>1.22</b>	<b>Guidance Counselors</b>	<b>2.01</b>
<b>Parent Involvement Coordinators</b>	<b>0.10</b>				
Health/Social Services (Nurses/Social Workers)	0.14	Health/Social Services (Nurses/Social Workers)	0.07	Health/Social Services (Nurses/Social Workers)	0.12
Administrative Staff (Principals/Vice Principals)	1.25	Administrative Staff (Principals/Vice Principals)	1.35	Administrative Staff (Principals/Vice Principals)	1.88
Non-Instructional Classified Staff (Office Aids, Custodians, Security Guards, etc.)	3.75	Non-Instructional Classified Staff (Office Aids, Custodians, Security Guards, etc.)	4.36	Non-Instructional Classified Staff (Office Aids, Custodians, Security Guards, etc.)	6.37
Instructional Aides (Non-certified Classroom Aides)	0.93	Instructional Aides (Non-certified Classroom Aides)	0.70	Instructional Aides (Non-certified Classroom Aides)	0.65

\*Smaller class sizes are funded by the state for the Vocational & Skills Centers and high poverty schools. Grades 2 and 3 each continue to be reduced to 24.1 FTE students in high poverty schools.  
Staff ratios are expressed as an FTE per prototypical school

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## Appendix F

# Revisions to the Prototypical School Ratios: 2013-15 Biennium

<u><b>Additional Time</b></u> <i>(Additional hours of supplemental instruction per week)</i>		<u><b>Materials, Supplies &amp; Operating Costs</b></u>			<u><b>Additional Support</b></u> <i>(BEA Funding Enhancement)</i>	
		<b>Technology</b>	<b>\$77.46</b>	<b>\$82.16</b>	Special Education	93.09%
<b>Learning Assistance (LAP)</b>	<b>2.40 hrs</b>	<b>Utilities &amp; Insurance</b>	<b>\$210.46</b>	<b>\$223.23</b>	<b>Central Office &amp; Other Support</b>	
Transitional Bilingual (TBIP)	4.78 hrs	<b>Curriculum &amp; Textbooks</b>	<b>\$83.17</b>	<b>\$88.21</b>	Central Office (% of school staff units)	5.3%
<b>TBIP Exited Students (NEW)</b>	<b>3.00 hrs</b>	<b>Other Supplies &amp; Library Materials</b>	<b>\$176.56</b>	<b>\$187.27</b>	<b>District Wide Support</b> <i>(Per 1,000 Students)</i>	
<b>Instructional hrs grades 7-12 (NEW)</b>	<b>2.22 hrs</b>	<b>Professional Development</b>	<b>\$12.86</b>	<b>\$13.64</b>	Technology Support Staff	0.63
Highly Capable	2.16 hrs	<b>Facilities Maintenance</b>	<b>\$104.27</b>	<b>\$110.59</b>	Facilities, Maintenance & Grounds	0.34
		<b>Security &amp; Central Office</b>	<b>\$72.24</b>	<b>\$76.62</b>	Warehouse, Laborers, & Mechanics	1.80
<i>School Year Totals:</i>			<b>\$737.02</b>	<b>\$781.72</b>		

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# Appendix G

Comparison of Adopted Budget with Maintenance Level, Joint Task Force on Education Funding Recommendations and a Linear Implementation of ESHB 2261 and SHB 2776:												
Enhancements to the Prototypical School Funding Formula and the Program of Basic Education												
	SY 2013-14		SY 2014-15		SY 2013-14		SY 2014-15		SY 2013-14		SY 2014-15	
	Adopted Policy Level	Adopted Policy Level	Maintenance	Maintenance	Majority	Majority	Minority	Minority	Linear	Linear	2776/2261	2776/2261
Full-Day Kindergarten (% of K FTEs)	43.75%	43.75%	22.00%	22.00%	37.60%	53.20%	100.00%	100.00%	37.60%	53.20%		
K-3 Class Size (Non-Poverty Schools)	25.23	25.23	25.23	25.23	23.58	21.94	21.12	21.12	23.58	21.94		
Full-Time Equivalent Students per Class												
K-1 Class Size (Poverty Schools)	20.85	20.30	24.10	24.10	22.68	21.26	20.55	20.55	22.68	21.26		
Full-Time Equivalent Students per Class												
Grades 2-3 Class Size (Poverty Schools)	24.10	24.10	24.10	24.10	22.68	21.26	20.55	20.55	22.68	21.26		
MSOC												
\$ Allocation per Pupil	\$737.02	\$781.72	\$560.67	\$569.08	\$981.32	\$1,194.43	\$560.67	\$569.08	\$981.32	\$1,194.43		
Transportation (Implement Expected Cost) (\$ Thousands) - School Year Allocation	\$43,894	\$109,734	\$2,800	\$2,800	\$58,709	\$119,180	\$2,800	\$2,800	\$43,894	\$109,734	Date Not Specified	Date Not Specified
80 Additional Hours of Instruction (Additional Hours/Week/FTE in grades 7-12)	-	2,222.22	N/A	N/A	0.44444	0.88889	-	-	Date Not Specified	Date Not Specified		
ESHB 2261 Opportunity for 24 Credits	N/A	N/A	N/A	N/A	-	-	-	-	Date Not Specified	Date Not Specified		
Learning Assistance Program (Increase to 2,000 Hours)	2,3975	2,3975	1,5156	1,5156	1,6125	1,7094	No Rec.	No Rec.	No Rec.	No Rec.		
Parent Involvement Coordinators (FTEs) (Prototypical Middle School Allocation)	0.0825	0.0825	0.0000	0.0000	0.1000	0.2000	No Rec.	No Rec.	No Rec.	No Rec.		
Guidance Counselors (FTEs) (Prototypical Middle School Allocation)	1.216	1.216	1.116	1.116	1.216	1.416	No Rec.	No Rec.	No Rec.	No Rec.		
Guidance Counselors (FTEs) (Prototypical High School Allocation)	2.009	2.009	1.909	1.909	2.009	2.109	No Rec.	No Rec.	No Rec.	No Rec.		
Transitional Bilingual (Instructional Support for Exited Students)	3.0000	3.0000	N/A	N/A	0.6000	1.2000	No Rec.	No Rec.	No Rec.	No Rec.		
Transitional Bilingual (Hours for Middle & High Schools)	4.7780	4.7780	4.7780	4.7780	4.7780	5.5112	5.7556	No Rec.	No Rec.	No Rec.		
Classified Salary Allocations	\$32,310	\$32,310	\$32,310	\$32,310	\$34,316	\$36,626	No Rec.	No Rec.	No Rec.	No Rec.		
Administrative Salary Allocations	\$59,954	\$59,954	\$59,954	\$59,954	\$67,539	\$75,829	No Rec.	No Rec.	No Rec.	No Rec.		
Accountability, Evaluation, & Common Core	\$13.6 M	\$11.7 M	N/A	N/A	\$43.0 M	\$23.5 M	No Rec.	No Rec.	No Rec.	No Rec.		

## Notes on the 2013-15 Budget

Note 1: The transportation expected cost funding model is fully implemented in school year 2014-15

Note 2: Class size reductions for high poverty schools apply to Kindergarten and Grade 1. For the 2014-15 school year, schools receive funding for reduced class size in proportion to actual average class sizes.

Note 3: The Transitional Bilingual hours for exited students is a new program. There is no change to the existing Transitional Bilingual program.

Note 4: Phase in of Full-day Kindergarten expansion is prioritized by school poverty level, with highest poverty schools receiving state-funding for Full-Day Kindergarten first.

## Appendix H

### Other Enhancements to K-12 Non-Basic Education

Enhancement	FY 2014	FY 2015	2013-15 State Appropriation
Teacher Principal Evaluation Training	\$10.0 M	\$5.0 M	\$15.0 M
Persistently Lowest-Achieving Schools	\$3.6 M	\$6.7 M	\$10.3 M
Local Effort Assistance (Levy Equalization)	(\$5.3 M)	\$13.5 M	\$8.3 M
Improved Student Outcomes (SB 5946)	\$2.4 M	\$2.0 M	\$4.4 M
Expansion of Washington Achievers Scholars	\$1.2 M	\$1.2 M	\$2.4 M
High School Acceleration Grants	\$1.1 M	\$1.1 M	\$2.2 M
Longitudinal Data System	\$0.6 M	\$0.6 M	\$1.2 M
Kindergarten Readiness WaKIDS	\$0.7 M	---	\$0.7 M
Charter Schools Initiative	\$0.3 M	\$0.3 M	\$0.6 M
Other Grants & Legislation	\$1.6 M	\$1.2 M	\$2.8 M
<b>Total*</b>	<b>\$16.2 M</b>	<b>\$31.6 M</b>	<b>\$47.9 M</b>

\*Sum may differ from total due to rounding

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## Appendix I

# Savings & Reductions: K-12 Non-Basic Education

Savings & Reductions	FY 2014	FY 2015	2013-15 State Appropriation
Suspend Initiative 732 Cost of Living Adj.	(\$98.6 M)	(\$196.8 M)	(\$295.5M)
Assessment Reforms	(\$0.9 M)	(\$24.1 M)	(\$25.0 M)
Remove Hold Harmless	(\$11.0 M)	(\$13.7 M)	(\$24.7 M)
Alternative Learning Experience (ALE) Audit Recoveries	(\$8.8 M)	(\$2.2 M)	(\$11.1 M)
Suspend Alternative Routes	(\$2.1 M)	(\$2.1 M)	(\$4.2 M)
Suspend National Board Bonus Inflation	(\$3.0 M)		(\$3.0 M)
Revise ALE Funding Formula	(\$0.7 M)	(\$0.9 M)	(\$1.6 M)
Consolidate/Eliminate Grants	(\$8.2 M)	(\$8.2 M)	(\$16.5 M)
<b>Total Savings &amp; Reductions*</b>	<b>(\$130.3 M)</b>	<b>(\$251.0 M)</b>	<b>(\$381.6 M)</b>

\*Sum may differ from total due to rounding

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